GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3566
ANSWERED ON:27.04.2007
CUT IN DUTY ON EDIBLE OIL
Mahto Shri Tek Lal

Will the Minister of FINANCE be pleased to state:

(a): the details of the commodities on which import duty has been reduced to curtail price rise; and

(b): the action taken by the Government for controlling the price rise of essential commodities?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI S.S. PALANIMANICKAM)

(a): The details are at Annexure-I.

(b): Besides reducing customs duty on various commodities, the steps taken by Government to control price rise of essential commodities, inter alia, include:

* Reduction in retail prices of petrol by Rs.2 per litre and diesel by Re. 1 per litre in November 2006 and again in February 2007.

* Release of upto 4 lakh tonnes of wheat under Open Market Sale Scheme in February and March 2007.

* Ban on export of wheat from 9.2.2007 and of pulses from 22.6.2006.

* To contain volatility in the futures prices of wheat, sugar and pulses, Forward Markets Commission has imposed limits on open position, reduced limits on daily fluctuations and imposed additional/special margins.

* Ban on futures trading in tur and urad from 24.1.2007, and in wheat and rice from 28.2.2007.

* Ban on export of skimmed milk powder.

* To reduce liquidity in the system, Reserve Bank of India increased the cash reserve ratio and repo rates.